

**SPECIAL MEETING OF THE BOARD OF MANAGERS
OF SPECIAL IMPROVEMENT DISTRICT #5
OF THE RIO GRANDE WATER CONSERVATION DISTRICT
September 4, 2019 at 6:00 p.m.
Rio Grande Water Conservation District Conference Room
Alamosa, Colorado 81101**

Present: David Schmittel, President; George Whitten, Vice-President/Secretary/Treasurer; Kit Caldon, Manager; Dale Gerstberger, Manager; and, Peggy Godfrey, Ex-Officio Member.

Absent: Corey Hill, Manager.

Staff and Consultants: Pete Ampe, Hill & Robbins, P.C.; Amber Pacheco, Program Manager; Chris Ivers, Deputy Program Manager; Clinton Phillips and Allen Davey, Davis Engineering; and, April Mondragon, Administrative Assistant.

Guests: Cody Redden, Tyrell Mares, Deb Sarason, John Werner, Willie Hoffner.

Prior to the meeting being called to order, a discussion was held regarding the draft Rules and Regulations. Amber Pacheco went through each edit that was made since the last meeting.

Meeting Called to Order

President Schmittel called the meeting to order at 6:55 p.m. A quorum was present. The Pledge of Allegiance was recited.

Approval of the Agenda

President Schmittel asked for additions or a motion to approve the agenda. A motion was made by Dale Gerstberger to approve the agenda as presented. The motion was seconded by George Whitten and unanimously approved.

Discussion on Potential Replacement Sources

President Schmittel asked for a discussion on potential replacement sources. Amber Pacheco updated the Board on a potential water purchase. She also explained the staff had come up with a new concept of a Well Injury Payment Agreement to replace the Forbearance Agreements being used in other Subdistricts. Hopefully the new name for these agreements will be less confusing for the individuals who are owners of surface water rights. Ms. Pacheco stated staff will be putting together an analysis they can present to individuals and small groups to show the concept of Well Injury Payments to help them better understand what they might mean for their individual situations. Ms. Pacheco presented examples of how much of a Well Injury Payment might be paid for a couple of the water rights on Saguache Creek based on projected depletions on an average year.

Presentation of Preliminary 2020 Budget

President Schmittel asked for the presentation of the preliminary 2020 budget. Pete Ampe reported he received two letters from the State Engineer which explain the timing requirements under the now approved Groundwater Rules. Mr. Ampe stated the State Engineer would accept a partial year Annual Replacement Plan for the first ARP and it must be filed and approved by the State no more than one year following the State's approval of the Plan of Water Management.

Amber Pacheco went through the line items in the draft 2020 Budget. The majority of the expenditures are for administration. She explained the 2019 Budget would need to be funded by the Rio Grande Water Conservation District because the Subdistrict would not have an approved Plan of Water Management in time to make an assessment of fees to the County by December 1st. Ms. Pacheco showed the Board what a budget may have looked like if the Subdistrict had been able to assess fees for 2019. The budget would be based on the activity of the 180 wells petitioned into Subdistrict No. 5. Discussion was held on those expenses and the need for placement of more measuring devices on Saguache Creek. Ms. Pacheco showed a response function projection she ran based on an average year and explained how the fee would have been calculated to fund the replacement of those projected injuries.

A motion was made by Kit Caldon to approve the 2020 Budget. The motion was seconded by Dale Gerstberger and unanimously approved. The Board agreed they would not have the ability

to assess fees in 2019 and, therefore, they will need to ask the Rio Grande Water Conservation District to fund their 2020 Budget.

Executive Session

President Schmittel asked for a motion to enter into executive session to receive legal advice concerning the purchase of real property. A motion was made by Dale Gerstberger to enter into executive session. The motion was seconded by George Whitten and unanimously approved.

Mr. Ampe stated the Board was entering into executive session. All discussion would relate to the acquisition of real property. The Board would take no formal position.

Action on Executive Session Discussion

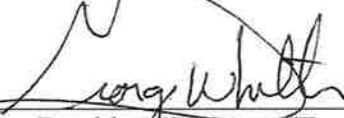
Pete Ampe stated the Board was in executive session and had voted to come out. Discussion was related to receiving legal advice regarding the potential purchase of real property and no formal action or position was taken.

Adjournment

The meeting was adjourned at 8:54 p.m.



President



Vice-President/Secretary/Treasurer